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Biden Applauds Legislative Approval of Tougher Penalties for Embezzlement

Dover – A bill that increases penalties for property crimes has won legislative approval and now heads to Governor Jack Markell for his signature. House Bill 185 changes penalties to more accurately reflect the consequences of losing large amounts of money for defrauded organizations, which are often non-profits and governments. The legislation was drafted by Attorney General Beau Biden's office and was introduced by Rep. Larry Mitchell.

"When organizations are hit by an embezzler, especially one who steals a great deal of money, it can take years to remedy the damage," said Biden. "And when the target organization is a government or a non-profit, the theft extends to the taxpayers and charitable donors who support it."

"These are not minor incidents like juveniles knocking out a window or vandalizing a building," said Rep. Mitchell, D-Elsmere, the lead sponsor of the bill. "We are talking about excessive property crimes where the losses are on the level of a portion of the home or residence or the entire property. We needed to steepen the penalties to coincide with the economy and the increased cost of replacing those losses."

"Property crime penalties need to be strengthened," said Sen. David B. McBride, D-Hawks Nest, who was the prime Senate sponsor of HB 185. "When you look at the damage embezzlement can cause to businesses, organizations or even governments, it's clear that we need to make sure dishonest people know we won't stand for their abuse of trust and that there will be serious consequences if they are caught."

Three of Delaware's property crimes – Theft, Health Care Fraud, and New Home Construction Fraud – have penalties that are enhanced when the loss has a value of \$50,000 or greater. Losses of \$100,000 or greater merit even higher penalties.

Under HB 185, losses of over \$50,000 in the commission of one of these crimes will be a class D felony, which carries up to eight years imprisonment. Currently, the penalty is either a class E felony or a class F felony, carrying maximum sentences of five or three years, respectively.

Losses in excess of \$100,000 will be class B felonies, mandating a minimum jail sentence of two years and a maximum of 25. This replaces its current designation as a class C felony, which has no minimum jail sentence and a 15-year maximum.

Recent high-profile Delaware cases illustrate the need for enhanced penalties that take the long-lasting effects of these and similar crimes into account. One example is former Kenton Treasurer Stephanie Mickle, who was sentenced last year to eight years in prison for theft of Kenton town funds and

forgery of town documents. Investigators learned that Mickle had made herself Town Manager with forged documents and then proceeded to sell the town's cell phone tower easement, accessing those funds for personal use. Investigators also discovered that from 2008-2010, approximately 900 fraudulent financial transactions were made by Mickle, who as Kenton Treasurer had complete control of the town's bank accounts. Mickle used debit cards, checks, computer transactions, and electronic transfers of funds to pay personal expenses, including previous court-ordered restitution.